

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address Pamela J. Zylstra - State Bar No. 147977 PAMELA JAN ZYLSTRA A PROFESSIONAL CORPORATION 18111 Von Karman, Suite 460 Irvine, California 92612-7152 T: (949) 222-2000 F: (949) 222-2022 E: zylstralaw@gmail.com <input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: S.J. Medical LLC, Reorganized Debtor		FOR COURT USE ONLY	
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - RIVERSIDE DIVISION			
In re: S. J. Medical LLC, a California Limited Liability Company, Debtor(s).		CASE NO.: 6:13-bk-25500 SC CHAPTER: 11 NOTICE OF SALE OF ESTATE PROPERTY	
Sale Date: 02/14/2017		Time: 1:30 pm	
Location: Video Hearing Courtroom 126, 3420 Twelfth Street, Riverside, California 92501			

Type of Sale: ☒ Public ☐ Private

Last date to file objections: 01/31/2017

Description of property to be sold:

Approximately .60 acres of commercial real property improved with an approximately 28,124 square foot 2-story medical office building with 18 medical office suites for lease located at 1695 San Jacinto Avenue, San Jacinto, California 92583-5103, APN 439-112-028 and certain personal property consisting of office furniture (collectively the "Property"). The legal description of the Property is attached as Exhibit A. The Personal Property Inventory is attached as Exhibit B.

Terms and conditions of sale: All cash sale.

A good faith deposit of \$100,000.00 has been paid and the balance of \$5,300,000.00 will be paid in cash at the closing of the sale. The sale is "AS IS" without any warranties, expressed or implied, being given by the Reorganized Debtor. No broker commission will be paid from the sale proceeds or the escrow. The sale is subject to approval by the U.S. Bankruptcy Court and there are no other contingencies to closing the sale. Sale to close 15 days after entry of an order.

Proposed sale price: \$ 5,400,000.00

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

Overbid procedure (if any): Sale is subject to overbids.

The Sales Procedures, as approved by the Order Establishing Bidding Procedures For Sale Of Real and Personal Property of the Reorganized Debtor entered December 30, 2017, are attached as Exhibit C.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Date: February 14, 2017

Time: 1:30 p.m.

Location: Video Hearing Courtroom 126

U.S. Bankruptcy Court

3420 Twelfth Street

Riverside, CA 92501

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Attorney for Reorganized Debtor:

Pamela J. Zylstra

Pamela Jan Zylstra A Professional Corporation

18111 Von Karman, Suite 460

Irvine, CA 92612-7152

T: (949) 222-2000

F: (949) 222-2022

E: zylstralaw@gmail.com

Date: 01/17/2017

EXHIBIT A

Order Number: **O-SA-5357850**
Page Number: 8

LEGAL DESCRIPTION

Real property in the City of San Jacinto, County of Riverside, State of California, described as follows:

PARCEL 1:

THAT PORTION OF THE NORTHERLY RECTANGULAR 1/2 OF FARM LOT 78 OF THE LANDS OF THE SAN JACINTO LAND ASSOCIATION, IN THE CITY OF SAN JACINTO, AS SHOWN BY MAP ON FILE IN BOOK 8, PAGE 357 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 2 OF PARCEL MAP NO. 19362, RECORDED IN BOOK 122, PAGES 57 AND 58 OF THE COUNTY RECORDER, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID FARM LOT 78; THENCE SOUTH 89° 59' 04" WEST, 188.56 FEET ALONG THE SOUTH LINE OF PARCEL 2 OF SAID PARCEL MAP NO. 19362; THENCE SOUTH 31° 27' 08" EAST, 361.92 FEET TO THE EAST LINE OF THE NORTHERLY RECTANGULAR 1/2 OF SAID FARM LOT 78, SAID POINT ALSO BEING DISTANT NORTH 00° 03' 08" WEST, 21.11 FEET FROM THE SOUTH LINE OF THE NORTHERLY RECTANGULAR 1/2 OF SAID FARM LOT 78; THENCE NORTH 00° 03' 08" WEST, 308.80 FEET ALONG SAID EAST LINE TO THE POINT OF BEGINNING.

PARCEL 2:

ACCESS EASEMENT AS SET FORTH IN DOCUMENT ENTITLED "RECIPROCAL ACCESS AND PARKING EASEMENT AGREEMENT AND GRANT OF EASEMENT" RECORDED JUNE 28, 2005 AS INSTRUMENT NO. 2005-0509758, OFFICIAL RECORDS OF RIVERSIDE COUNTY.

APN: 439-112-028-8

EXHIBIT B

S.J. MEDICAL LLC
PERSONAL PROPERTY INVENTORY
(Located at 1695 San Jacinto Ave.,
San Jacinto, CA Suite G)

1 Leather Couch

1 Conference Table with 4 chairs

1 Desk with 2 chairs

1 End Table

Items were purchase by S.J. Medical LLC in 2007 for approximately \$2,300.00.

EXHIBIT C

Sale Procedures
In re S.J. Medical, LLC, a California Limited Liability Company

1. Asset(s) To Be Sold. The "Property" is the primary asset of the Reorganized Debtor's estate and consists of real property commonly known as 1695 San Jacinto Avenue, San Jacinto, California 92583-5103, APN 439-112-028 (the "Property"). The Property is improved with a medical office building with 18 medical office suites for lease. The proposed sale of the Property includes the personal property located in Suite G.
2. Santos Offer. Subject to submission of overbids, the Reorganized Debtor will request Bankruptcy Court approval to close the sale of the Property to Alfred and Barbara Santos Trust, dated February 10, 1979 (the "Buyer") pursuant to the Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate (the "Agreement") executed on December 21, 2016 (the "Santos Agreement").
3. Continued Marketing of Property. The Property including the personal property located in Suite G is available for purchase free and clear of liens, claims and interests. The Reorganized Debtor will continue to seek and to respond to interested purchases based on the information previously assembled, including the rent roll and copies of the leases of the medical office suites. The Reorganized Debtor will share this information, and such other information as may reasonably be requested, with any prospective buyer who executes a confidentiality agreement and who demonstrates to the Reorganized Debtor that the prospective buyer has the reasonable financial ability to participate in an auction sale process within the required time frame.
4. Auction. The auction sale (the "Auction") will take place at the hearing on approval of the sale, which is scheduled for February, 14, 2017 at 1:30 p.m., before the Honorable Scott C. Clarkson, United States Bankruptcy Judge, in Courtroom 126, 3420 Twelfth Street, Riverside, California 92501.
5. Requirements for Qualified Bidders. To be eligible to participate as a bidder at the Auction as a "Qualified Bidder" no less than seven (7) days before the Auction, a prospective bidder must (a) deliver to Pamela Jan Zylstra, counsel for the Reorganized Debtor, funds in an amount equal to Buyer's Good Faith Deposit of \$100,000.00., which funds (the "Bid Deposits") will be held in trust in the Pamela Jan Zylstra A Professional Corporation client trust account; and (b) file evidence with the Bankruptcy Court demonstrating to the satisfaction of the Bankruptcy Court that they qualify as good faith purchasers within the meaning of Section 363(m) of the Bankruptcy Court and are financially capable of closing the sale of the Property under the terms and conditions of the Santos Agreement; and (c) serve such evidence on counsel for the Reorganized Debtor, the Office of the United States Trustee for Riverside Division, and deliver a copy to the Honorable Scott C. Clarkson, 411 West Fourth Street, Fifth Floor Courtesy Box, Santa Ana, California 92701.
6. Bids Nonrefundable If Approved Sale(s) Fails To Close. The amount of each of the Bid Deposits will be non-refundable in favor of the Reorganized Debtor if the bidder is the winning bidder at the Auction, its bid and the asset sale are approved by the Bankruptcy Court, and fails to close its purchase of the Property within 15 days of the date of entry of the Sale Order.
7. Santos Agreement Binding. A Qualified Bidder will be deemed to have submitted its all-cash bid based on the terms of the Santos Agreement and to have signed the Santos Agreement, subject to modification of the amount of the purchase price.

8. Auction Procedures. If more than one Qualified Bidder satisfies the requirements described above and appears at the Auction, the Court will randomly assign bidding numbers to the bidders. The following is how the bidding will work by example if there are three Qualified Bidders at the Auction. The bidder who is assigned Bidder #1 will be required to submit the first bid, unless the Buyer is assigned Bidder #1, in which case the bidder who is assigned Bidder #2 will be required to submit the first bid. Any initial overbid must be in the total amount of the Purchase Price plus no less than One Hundred Thousand Dollars (\$100,000.00)(the "Minimum Overbid"). Once a bid equal to or greater than the Minimum Overbid is received, that bid will be deemed a qualified bid and the bidding will then proceed to the bidder with the next number in sequential order. Additional bids must be in the amount of at least Fifty Thousand Dollars (\$50,000.00). If the next bidder fails to submit a complying bid it will be eliminated from the Auction and will not be permitted back into the Auction thereafter. The bidding will then turn to the bidder with the next number in sequential order and then return to Bidder #1 and continue, with the same requirement for bids in the amount of at least \$50,000.00, until all bidders but one have dropped out of the Auction at which point the bidder who made the highest bid will be deemed the highest bidder. The bidder who submitted the second highest bid at the Auction will be deemed to constitute the winning backup bidder. The Buyer may modify the Santos Offer as to the amount of the purchase price in response to any overbid.

9. Determination of Highest Bid. The Reorganized Debtor will decide which bid made at the Auction is the highest and best bid for the Property with any disagreement to be resolved by the Bankruptcy Court.

10. Motion for Approval of Sale of Property. The date and time of the hearing for the Bankruptcy Court to consider approval of the sale of assets to the winning bidder at the Auction will be February 14, 2017 at 1:30 p.m.

11. Deadline to Close Sale of Property. Subject only to entry by the Bankruptcy Court of the order, the winning bidder will have until the date which is fifteen (15) days after the entry of the order approving the sale to consummate the sale. If the winning bidder fails to close the sale timely, the winning bidder will be deemed to have forfeited the non-refundable portion of its Bid Deposit unless the Reorganized Debtor or the Bankruptcy Court grant the winning bidder an extension of time to close. If the winning bidder fails to close and forfeits the non-refundable portion of its Bid Deposit, the winning backup bidder will be notified and will then have five (5) days to close its purchase of the Property or will be deemed to have forfeited its Bid Deposit unless the Reorganized Debtor or the Bankruptcy Court grant the winning backup bidder an extension of time to close. The Bid Deposit of the backup bidder will be retained by the Reorganized Debtor following the conclusion of the Auction and will be returned to the backup bidder on the closing by the winning bidder of its purchase of the Property.

12. Good Faith Deposit. If the Buyer is not the winning bidder, the Good Faith Deposit of the Buyer will be returned to the Buyer as provided in the Santos Agreement.

13. Jurisdiction of Bankruptcy Court. All Qualified Bidders will be deemed to have consented to the core jurisdiction of the Bankruptcy Court and to have waived any right to a jury trial about any disputes related to the Auction or the motion for approval of the sale of the Property. The Santos Agreement and all modifications to said agreement regarding purchase price and identification of buyer shall be governed by and construed under the laws of the State of California. All Qualified Bidders will be bound by their bids until conclusion of the Auction.

14. Modification of Bidding Procedures. All bidding procedures set forth above, other than the provisions governing the breakup fee and bid increments, may be modified by the Bankruptcy court at the Auction.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
18111 Von Karman, Suite 460, Irvine, California 92612-7152.

A true and correct copy of the foregoing document entitled (*specify*): **NOTICE OF SALE OF ESTATE PROPERTY**
will be served or was served (**a**) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (**b**) in
the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and
LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) January 17,
2017, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following
persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- **Franklin C Adams** franklin.adams@bbklaw.com, arthur.johnston@bbklaw.com;lisa.spencer@bbklaw.com
FORMER COUNSEL TO MR. AND MRS. ANTHONY
- **Cristina E Bautista** cristina.bautista@kattenlaw.com, ecflax.docket@kattenlaw.com,
nicole.jones@kattenlaw.com COUNSEL TO CREDITOR U.S. BANK
- **Michael J Bujold** Michael.J.Bujold@usdoj.gov OFFICE OF UNITED STATES TRUSTEE
- **Abram Feuerstein** abram.s.feuerstein@usdoj.gov OFFICE OF UNITED STATES TRUSTEE
- **Marc C Forsythe** kmurphy@goeforlaw.com, mforsythe@goeforlaw.com;goeforecf@gmail.com
FORMER COUNSEL TO LIQUIDATING DEBTOR
- **Jessica Mickelsen Simon** jessica.mickelsensimon@kattenlaw.com COUNSEL TO CREDITOR U.S. BANK
- **Jason K Schrader** jason.K.Schrader@usdoj.gov OFFICE OF UNITED STATES TRUSTEE
- **Mohammad Tehrani** Mohammad.V.Tehrani@usdoj.gov OFFICE OF UNITED STATES TRUSTEE
- **United States Trustee (RS)** ustpreion16.rs.ecf@usdoj.gov OFFICE OF UNITED STATES TRUSTEE
- **Pamela J Zylstra** zylstralaw@gmail.com COUNSEL FOR REORGANIZED DEBTOR

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) January 17, 2017, I served the following persons and/or entities at the last known addresses in this bankruptcy
case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail,
first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the
judge will be completed no later than 24 hours after the document is filed.

The Honorable Scott Clarkson, 411 W. Fourth St., Suite 5130, Santa Ana, Ca 92701-4593

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method
for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) January 17, 2017, I served
the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to
such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration
that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is
filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct

1/17/2017

Date

Pamela Zylstra

Printed Name

Signature

